

School Business – September 4, 2020

The FBS website continues to be updated with COVID-19 policies and information related to School Business and operations, as well as our ongoing operations. Please check this site regularly for updates: www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services.

HB1105 Coronavirus Relief Act 3.0 – Ratified but not law at this time

[HB1105](#) has been ratified and presented to the Governor for his signature. At this time **it is not law**, but in the event that it becomes law some pertinent items are highlighted below:

Allocations

- \$10m for improving Internet connectivity for students through mobile Internet access points. Cost of devices, not subscription. This would be in addition to the \$11m in PRC128.
- \$20m for PPE. This would be in addition to the \$7m appropriated in HB1023.
- \$17m for grants for EC students' services. This would be in addition to the \$20m in PRC132.

Policy Change

- Eliminates the requirement for DPI to adjust initial allotments for the actual best 1 of 2 ADM. Allocation transfers for new and growing charter schools will be made, therefore the result for LEAs would be the initial allotments less the charter school transfers.
- Increases the cap for the 2 virtual charter schools by 3,800 students.
- Requires principal salaries to be determined based on the 2019-20 ADM for principal pay as of January 1, 2021.
- Temporary flexibility for transportation allocation - allows LEAs to use funds provided from the transportation allotment (PRC056) for school nutrition, childcare, sanitizing schools and buses, in-person instruction, and remote instruction during the COVID-19 pandemic.

For the full bill visit the NC General Assembly Page at www.ncleg.gov/BillLookup/2019/H1105. In the event that this legislation becomes law, more detailed information will follow.

July Summary/Installment File Missing Expenditures

LEAs submit three UERS files to DPI monthly; the payroll, the accounts payable, and the summary file. DPI uses the July and August SUMMARY files to create the July and August INSTALLMENT FILES. Several LEAs have contacted School Business to report that some July payroll vouchers were missing the installment payments indicators. These payroll vouchers

with the missing installment payment indicators did not roll up into the summary file account totals. Therefore, the installment files for these LEAs are missing installment payments (salary, social security, and retirement).

The Salary Load Process loaded these vouchers into FY 2021 in LicSal, resulting in overpayments in FY 2021 and underpayments in FY 2020. The Salary Analysts moved the vouchers to FY 2020 and cleared audit exceptions. However, if DPI uses the current July Summary file to create the July Installment file, these LEAs will appear to have received funds in FY 2020 but posted no expenditures in FY 2021. Those missing installments will negatively impact the zero out for the month of August.

For those LEAs affected, contact your software vendor to assist you in getting the installment payment indicators on the July payroll vouchers. You will then need to rebuild all three UERS files (payroll, accounts payable, and Summary) and resubmit the files to DPI. Please notify Icilma Burroughs once you resubmit your files.

If you have any questions, please send them to Icilma Burroughs at Icilma.Burroughs@dpi.nc.gov.

Current Year Allotment Overdraft Report - LEAs only

DPI will start running the current year (FY2021) Allotment Overdraft report (JHA356EG) in February 2021. If your LEA has overages in state program report codes (PRCs) as of January 31, 2021, your LEA will be assessed a one percent penalty on the state PRC overages listed on the JHA356EG report.

If you have questions, please contact Roxane Bernard at roxane.bernard@dpi.nc.gov.

Transportation Allotment Flexibility for PRC056

The State Board of Education amended policy ALOT-003 with regard to the PRC 056 Transportation Allotment by adding the following special provision:

“8) Notwithstanding the purpose and other special provisions of PRC 056, PRC 056 funds may also be used to support yellow school bus operations for purposes which support students’ nutrition or instruction in any state of disaster or local state of emergency declared under 166A of the General Statutes.”

During a declared state of emergency this flexibility allows LEAs to decide the most effective way to use school bus transportation resources to support students’ nutrition and instruction given the operational situation in their district. PRC 056 funds may now be used for school bus operations which support students’ needs even when those needs don’t involve physically moving students to and from their assigned school.

Federal Programs Monitoring and Support Division Update

Innovative Childcare and Remote Extended Support (ICARES) Grant Application

The purpose of the ICARES grant is to fund high-quality, independently validated extended learning and integrated student support service programs for Pre-K-8 at-risk students that raise standards for student academic outcomes and will be a competitive grant opportunity processed through the CCIP system. ICARES grant amounts will range from \$200,000 to \$500,000 depending on the number of at-risk students identified to be served. *Only Districts, Charter Schools and Lab Schools are eligible.*

Only applications submitted through CCIP will be reviewed and evaluated. Applications must be submitted through CCIP by 5:00 pm EDT on **October 5, 2020**. Applications received after 5:00 pm EDT on October 5, 2020 will not be accepted.

An ICARES overview technical assistance webinar will be held on Wednesday, **September 9, 2020**. Click on the following link to register: [ICARES Overview Technical Assistance Webinar](#)

A CCIP training focusing upon ICARES grant application completion will be held on Wednesday, **September 16, 2020**. Click on the following link to register: [ICARES CCIP Technical Assistance Webinar](#)

[The ICARES Request For Proposal](#) (RFP) document is attached.

Non-Competitive Procurement Waiver Requests

As the pass-through entity for programs authorized under ESSA, IDEA, CTE, et al, the North Carolina Department of Public Instruction may waive competitive procurement requirements in accordance with 2 CFR §200.320(f)(3). A request for noncompetitive procurement must include the vendor, funding source (federal program and PRC), scope of work/deliverables, total cost and a detailed justification. Procurement will communicate with appropriate federal program staff to determine final approval.

Please note: Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- After solicitation of a number of sources, competition is determined inadequate.

To submit a noncompetitive procurement proposal please utilize the revised [Procurement Waiver Request Template](#) attached; **old versions of the form will not be accepted.**

Submit the completed form via email to tymica.dunn@dpi.nc.gov and attach any additional documentation required. The email, form, and additional documentation will be your official

'request' for a noncompetitive procurement waiver. One request must be submitted for each individual issue (e.g., one email / request per vendor); they cannot be combined. If you have any questions regarding the noncompetitive procurement waiver process, please contact Tina Letchworth at tina.letchworth@dpi.nc.gov or Tymica Dunn at tymica.dunn@dpi.nc.gov.

Reminder About CARES-ESSER Equitable Services Legal Disputes

As explained in last week's update, CARES-ESSER equitable services funds are currently subject to disputes between Congressional intent in the CARES Act, US Department of Education's interim rules and federal court decisions. We understand that some local school districts are being advised by their legal counsel regarding the possible impact of these disputes on their decisions effecting the use of funds for equitable services. NCDPI is in no position to direct school districts to either disregard or follow such counsel. We are, however, recommending that districts maintain sufficient funding within their CARES-ESSER budgets to cover the maximum equitable share costs that may be determined appropriate as the legal proceedings unfold. While we cannot predict the ultimate result of the disputes, as we learn more, we will provide updates.

Additional CARES-ESSER Funds for Some Charter Schools and Lab Schools

The State Board of Education recently determined that additional Elementary and Secondary School Emergency Refunds (ESSER) funds from the CARES Act are to be made available for Charter Schools and Lab Schools that were previously ineligible for funds, were underfunded in PRC 163 or initially waived federal funds altogether. The additional funds will be made available in PRC 164, and affected schools will be notified by DPI's School Business office when these allotments become available. An application form, very similar to the one provided for PRC 163, and directions for submitting it will soon be provided by the Federal Programs Monitoring and Support Division.

Exceptional Children Division Update

REMINDER – PRC082

The PRC 082 expenditure report is **due by or before 9/30** to your NC SIP regional literacy and/or math consultant via email.

PRC 132 COVID-19 Relief Act Funding Update

Due to a portion of unallotted funds after the grant application process, an approximately 16% increase to the *second* COVID-19 Relief Act grant allotment has been applied to approved applications. This second allotment of funding will be made in the near future. If there are expenditures from the additional funds that your PSU needs to make that are not aligned to your original PRC 132 applications, please alert your Regional Coordinator so this update can be made to the second grant application. Expenditures must align to the Public School Units (PSUs) application and be an allowable expense within the chart of accounts. Please be aware, there will be additional information in the near future concerning reporting requirements for these funds. As a reminder, these funds must be **expended by**

12/31/2020. If you believe you will be unable to spend your allotted PRC 132 funds in this timeframe, please alert your Regional Coordinator as soon as possible.

Developmental Day Center Funding

If the IEP Team has placed a student in a Developmental Day Center and the center is serving students remotely, the PSU may apply for DDC funding. The DDC eligibility requirements must be met in order to receive funding.

2020 Employer Unemployment List of Charges

LEA EMPLOYERS - Please see the information DPI received this week from the Department of Employment Security (DES). This information relates to the Employer Unemployment List of Charges and is important as we end the 2020 Year End Benefit Charges.

The List of Charges to Your Account reflects each claim/claimant who received Unemployment Insurance benefits during the second quarter of 2020. Please understand this is not a bill and you are not required to submit payment with regard to these charges. To ensure proper financial reimbursement with regards to the Coronavirus Pandemic, we must reflect charges associated with your company. The Reimbursement Statement, generated in November 2020; will reflect all state and federal credits due to your company.

Your reimbursing employer account IS PROTECTED from charges associated with the Coronavirus pandemic, these benefits are covered in full (50% State funding / 50% Federal funding). However, to ensure NC receives the correct reimbursement from the Federal buckets, we are required to list them in full as associated with the reimbursing employer. Our Tax Department will generate your Reimbursement Statement in November 2020 and will reflect all the funds provided.

Please verify the claimants on the List of Charges. We would like to know of any claimant who should not have been paid; those still working, received emergency leave payments or paid their salary during the closed period.

This method also encourages reporting of fraudulent claims.

Contact Eileen Townsend with any questions. Eileen.townsend@dpi.nc.gov.

Reminders

- Calendar Waivers – Due **TODAY, September 4, 2020**
Details are in the August 14, 2020 newsletter. *
- 2020-21 Needs-Based Public School Capital Fund - Application due **September 15, 2020**
Details are in the August 28, 2020 newsletter. *

- September PSBCF and NBPSCF Lottery Distribution Requests - Requests due **September 25, 2020**
Details are in the August 28, 2020 newsletter. *
- 2020 Statewide Facility Needs Survey – Surveys due **January 8, 2021**
Details are in the August 28, 2020 newsletter. *

* www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations/procedures-and-guidance#newsletter



Public Schools of North Carolina
State Board of Education
Department of Public Instruction